

CHAPTER 7

ACQUISITION AND RELOCATION



APPLICABLE REQUIREMENTS

FEDERAL REQUIREMENTS

1. **Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987** (commonly known as the Uniform Relocation Act, which amends the 1970 Uniform Relocation Act).
2. **Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970:**
 - provides uniform procedures for the acquisition of real property for federal or federally-assisted projects; and
 - ensures the uniform and equitable treatment of persons and businesses displaced as a result of federal or federally-assisted projects.

GRANTEE RESPONSIBILITIES

Two options are available
for CDBG grantees
when acquiring property for a project:

☐ Voluntary Acquisitions

OR

☐ Non-Voluntary Acquisitions

The General Rules of Acquisition

- ☐ Property owners must be paid at least the appraised fair market value for acquired property and improvements.
- ☐ Condemnation and litigation should be avoided and used only as a last resort.
- ☐ Sites for CDBG activities should be chosen so that displacement is avoided.
- ☐ Acquisitions should be documented in accordance with procedures outlined in Section IV (Recordkeeping Requirements) of Chapter 7.

Donations of Property

Donation of property can occur under either:

- ✓ The **voluntary acquisition process.**
or
- ✓ The provisions of the **Uniform Relocation Act.**

Appraisals Under the Uniform Relocation Act

An appraisal is not required in the following situations:

- ❑ If the landowner agrees to donate the property.
 - However, the landowner(s) must first be informed of their rights under the Uniform Relocation Act, including the right to receive just compensation.
 - They must also state in writing that they have been informed of these rights.
 - They also must agree to waive the appraisal requirement.
 - The landowners have been informed that the grantee will not exercise its right of (or does not have the power of) eminent domain as a means of acquiring the property.

Appraisals / Waivers

Exhibit 7-K provides a model for waiver of procedures required under the Uniform Relocation Act when a property donation is involved.

Use Exhibit 7-K:

- ☐ When the determination of valuation is uncomplicated and the fair market value is estimated at \$2,500 or less, based upon a review of available data prepared by a person familiar with real estate values (with a written explanation of the basis for the estimate kept in the grantee's appropriate CDBG Project file);

OR

- ☐ When the landowner agrees to waive the appraisal, and approval of such waiver is obtained in writing.

Relocation

Grantees planning CDBG-assisted projects that may involve either temporary or permanent displacement of local residents or businesses as a result of their acquisition activities should contact their CDBG Program Specialist for guidance on the federal requirements that apply.